



International Direct Deposit (IDD) For U.S. Military Retirees and Annuitants

Provided by Defense Finance and Accounting Service

The Defense Finance and Accounting Service (DFAS) recently initiated International Direct Deposit (IDD) for U.S. military retirees and annuitants living outside the United States. The first five countries included Australia, Canada, France, Germany and the United Kingdom, where IDD availability was effective with the Dec. 1, 2005 pay date. The program allows U.S. military retirees and annuitants to have their monthly payments sent electronically to their local banks where they reside. Deposits are made in the local currency rather than U.S. dollars, saving many the expense of converting dollars for use in the local economy.

In addition to possible savings, IDD is proving a safer and quicker way for retirees and annuitants to receive their pay. Payments arrive in bank accounts on the same day they are released from DFAS and the Federal Reserve Bank in New York. For those receiving checks via mail, IDD also offers an alternative to lost, misrouted or stolen mail, thus reducing the chances of check and identity theft.

The IDD program for DFAS entered another phase in February 2006, when enrollment packages were sent to retirees and annuitants living in 38 additional countries: Anguilla, Antigua & Barbuda, Austria, Bahamas, Barbados, Belgium, British Virgin Islands, Cayman Islands, Cyprus, Denmark, Dominican Republic, Finland, Greece, Grenada, Haiti, Hong Kong, Hungary, Ireland, Israel, Italy, Jamaica, Malta, Mexico, Netherlands, Netherlands Antilles, New Zealand, Norway, Panama, Poland, Portugal, South Africa, Spain, St. Kitts, St. Lucia, St. Vincent & Grenadines, Sweden, Switzerland, Trinidad & Tobago.

Each enrollment package includes the necessary instructions, form and return envelope to begin requests for IDD service. DFAS Retired and Annuitant Pay officials urge each enrollee to make sure the form is accurately completed and signed.

Incomplete or wrong IBANs (International Bank Account Numbers) account for the most frequent error found on enrollment forms and causes payments to be rejected or misrouted by the member's bank. DFAS recommends having your banking institution fill out the enrollment form to ensure the information is correct. Another item that might be overlooked is the name used in an individual's bank account – it must match the name on their DFAS pay account. We want everyone who chooses IDD to start as soon as possible, so account accuracy is essential. If any problems are encountered with this service, please call DFAS as soon as possible so we can rectify the situation.

For those members participating or considering International Direct Deposit, the following information is provided:

- *Currency Exchange* – how are rates calculated?
Your payment will be converted from U.S. Dollars to local currency two business days prior to the U.S. payment date using a wholesale exchange rate.
- *U.S. dollar or local currency*
International Direct Deposit puts your money directly into your local bank in local currency. If you reside in Canada and have a U.S. dollar account, you may elect to receive your payment electronically in U.S. dollars. Note that this option is only available in Canada.

More information on IDD is available on the Web at: <http://www.dod.mil/dfas/retiredpay/internationaldirectdepositidd.html>. Military retirees and annuitants without Internet access are encouraged to call 00-1-216-522-5955 to speak with a Retired and Annuitant Pay customer service representative. Although IDD does not affect a large percentage of the retiree and annuitant population, readers of the Retired Pay Newsletter are encouraged to share this information with those members living overseas with whom they have contact.